Adoption of Sarbanes-Oxley Act in Banks

2035. SHRIMATI BIMBA RAIKAR: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Reserve Bank of India is planning to introduce an indigenous adoption of Sarbanes-Oxley Act stipulating new reporting standards for auditors and top management professionals in the US;

(b) if so, whether Government feel that top functionaries of Banks and financial institutions should be made more accountable to the apex Bank; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) Reserve Bank of India (RBI) has set up an internal Working Group to examine auditing and corporate governance issues in Banks. The Working Group would look into, among others, issues raised in The Sarbanes-Oxley Act of 2002. RBI had earlier set up the Consultative Group of Directors of Banks/Financial Institutions under the Chairmanship of Dr. A.S. Ganguly to look into the role of the Boards of Banks and financial institutions and to make recommendations for making their role more effective with a view to minimizing risk and over exposure. The Group's recommendations aim at making directors of the Banks more accountable to the concerned Banks. RBI have advised the Banks to adopt and implement the recommendations.

Search & Seizure Operations by Income Tax Department

2036. SHRI KHAN GHUFRAN ZAHIDI: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) how many companies have been under search and seizure operation by Income Tax Department during the last two years;

(b) whether it is a fact that income tax appeals with crores of rupees are pending for settlement; and

(c) if so, the action taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN): (a) 933